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**THE INFLUENCE OF PSYCHOLOGICAL FACTORS, FRAMING EFFECTS, AND INCIDENTAL EMOTIONS ON YOUNG PEOPLE'S STOCK INVESTMENT DECISIONS: A CASE STUDY OF INVESTMENT EDUCATION CONTENT ON TIKTOK**



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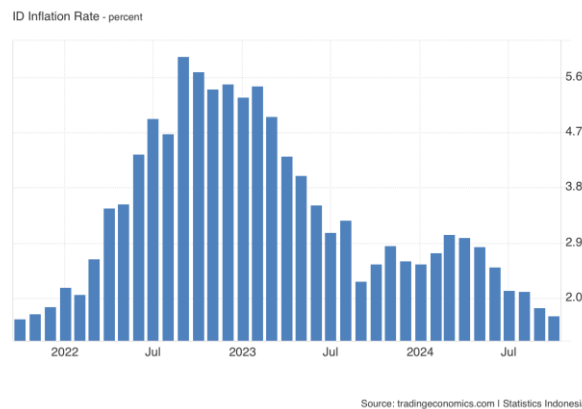
**Abstract**

This study aims to analyze the influence of psychological factors (consisting of overconfidence, herding behavior, FOMO, emotions, and considering the past), framing effect, and incidental emotions on young people's stock investment decisions, in the context of investment education content on the TikTok social media platform. The background of this study is based on the phenomenon of the rise of investment education content, especially in the stock sector on TikTok, and the increasing number of active young investors. The research approach uses a quantitative method. The sample consisted of 190 respondents who were active students of the Management Study Program, Islamic University of Indonesia, who invested in stock instruments. The results of the study showed that psychological factors had a significant influence on stock investment decisions. Meanwhile, when the psychological factors construct was tested, the results were only overconfidence and considering the past that influenced investment decisions. Meanwhile, herding behavior, FOMO, and emotions did not affect investment decisions. In addition, framing effect, incidental emotions, and investment education content were not proven to have a positive effect on investment decisions.

**Keywords:** Psychological Factors, Framing Effect, Incidental Emotions, Investment Education Content, Investment Decisions, Young People

## INTRODUCTION

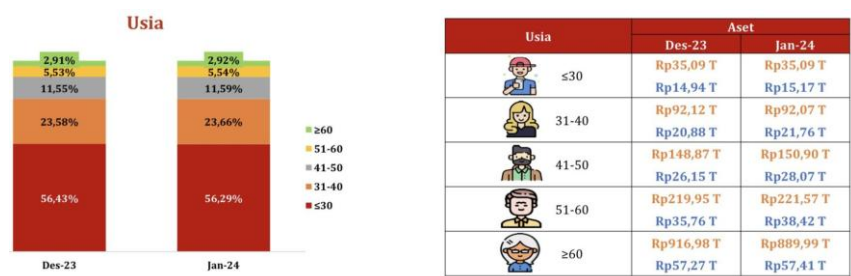
Investment refers to the activity of allocating funds over a certain period with the expectation of gaining profit or increasing asset value. According to Nadila et al. (2023), investment involves long-term capital placement, such as acquiring tangible assets or purchasing securities like stocks and bonds to earn returns. Investments are generally categorized into two types: real assets and financial assets (Takdir et al., 2022). Real assets, including property, land, and gold, tend to appreciate over time but lack liquidity. In contrast, financial assets like stocks, bonds, and mutual funds are more liquid and accessible. In Indonesia, various investment options are available, with stocks offering some of the highest returns (L. Hidayat et al., 2019). Stock investment is widely recognized due to its presence in capital markets and its potential for significant profit, albeit with higher risks. Data from KSEI (2024) shows a sharp rise in investors from 2020 to January 2024, particularly in the capital market sector, with the number of individual investors growing from 11.98 million in 2023 to over 12.12 million in 2024. This indicates increasing public interest in stock investment as a means of wealth accumulation. Moreover, investment plays a vital role not only in enhancing personal financial stability but also in supporting sustainable economic growth and national welfare (Agustari et al., 2024). For young people, understanding the importance of investing is crucial to reap benefits such as capital gains, protection against inflation, achieving financial goals, and managing risk through portfolio diversification. Technological advancements have further simplified access to investment information and education (Rahadi & Stevanus, 2020). One key factor that highlights the importance of investing is inflation, as Bank Indonesia's inflation reports show monthly fluctuations that erode the value of money over time.



**Figure 1.**  
**Inflation Data in Indonesia**

Therefore, it is essential to preserve the value of money, one of which is through investment. Investing serves as a strategic approach to not only safeguard but also grow one's wealth, especially amid economic challenges like inflation. Today, investment has become a growing trend among young people, particularly Generation Z, driven by technological advancements and easy access to information, especially through social media. Platforms like TikTok play a significant role in introducing and educating young audiences about investment, using short, engaging videos to simplify complex financial topics such as stocks, mutual funds, and other instruments. According to Rahmana and Damariswara (2022), video-

based content is currently the most favored educational medium among the youth, and TikTok’s accessible and appealing format enhances this preference. Influencers like Felicia Putri Tjiasaka (@felicia.tjiasaka), Axel Jeremy (@axeljeremy\_), and Nicho Candra (@nichocandra) are among those pioneering investment-related content on TikTok. Applications like Bibit and Ajaib have also made investing more accessible to the younger generation. Based on data from the Indonesia Central Securities Depository (KSEI, 2024), millennials under 30 years old dominate the investor demographics, accounting for 56.29% of the total, indicating a significant shift in financial behavior among the youth.



**Figure 2.**  
**KSEI Age Data**

Source: Indonesian Central Securities Depository (KSEI)

Investment has become an essential aspect of young people's financial lives, reflecting their growing awareness of the importance of planning for their financial future. This trend is driven by their desire for long-term gains and protection against economic uncertainty. Stocks, in particular, are a preferred investment instrument among young investors, especially Generation Z, due to their potential for high returns despite relatively higher risks. The rise of digital platforms such as Ajaib, Bibit, and Stockbit, along with investment-related content on social media like TikTok and Instagram, has further fueled this interest. However, making the right investment decisions remains a challenge, particularly for beginners, as these decisions are influenced not only by fundamental factors—such as company financial ratios (e.g., CR, EPS, DER), industry performance, and market conditions but also by psychological factors and external influences like market trends, peer recommendations, and influencers. Fundamental analysis plays a critical role in evaluating stock value and return potential, though studies show mixed results regarding its effectiveness. For instance, fundamental indicators such as CR, NPM, EPS, and DER do not significantly influence stock returns in LQ45-listed companies (Sumani, 2020), whereas TATO shows a significant positive effect, and MBV demonstrates a significant negative impact on returns. This highlights the complexity of investment decision-making, which demands careful consideration of both financial data and behavioral aspects. Unlike previous studies, this research explores TikTok as a platform for financial education among Generation Z, a relatively underexplored area in behavioral finance. This provides novelty in addressing how TikTok content influences investment decision-making from a psychological and financial perspective.

In addition to fundamental factors, psychological factors play a crucial role in investment decision-making. According to Pramono (2021), these factors include overconfidence, herding behavior, FOMO (Fear of Missing Out), emotions, and past experiences. Prior studies have found that psychological factors significantly influence

investment decisions, as shown by a Chi-Square significance value of 0.001, indicating a strong relationship between the two (Wahyuni & Pramono, 2021). Understanding these factors helps young investors make better decisions and avoid common mistakes (S. H. P. Sari, 2021). The framing effect, or the way information is presented, also impacts investment behavior; positive or negative framing can lead to different investment choices (Anas Stasya Insani & Nury Khirdany, 2023; Wardani & Sukirno, 2014; Pasek et al., 2019). Incidental emotions, those unrelated to the decision itself, such as happiness, anger, or anxiety, can alter risk perception and decision-making, with emotional resilience emerging as a key determinant of investment behavior (Judijanto & Ilhamiwati, 2023). Moreover, investment education content on TikTok can act as a psychological influence due to factors like social proof, confirmation bias, and emotionally charged short videos, which may lead users to make financial decisions based on perceived success rather than rational evaluation.

## **REVIEW OF LITERATURE**

### **Young People's Stock Investment**

Investment interest among young people has risen significantly with the development of digital technologies, particularly through the availability of investment platforms such as Bibit, Ajaib, and Stockbit (Syam'ani & Mahmud, 2024). Social media, especially TikTok, has emerged as a unique force in financial education, offering simplified content and relatability through influencer-based communication (Harto et al., 2024; Mardika et al., 2025). Unlike traditional financial literacy campaigns, TikTok's informal and engaging format aligns with Gen Z's digital habits, making investing feel more accessible and less intimidating.

While these innovations promote inclusion and democratize access to capital markets (Sari et al., 2025), concerns remain regarding the depth of understanding generated through short-form content. Users may absorb simplified or even misleading messages, leaving them vulnerable to speculative behaviors, such as "pump and dump" schemes or emotional trading. As highlighted by Negara and Febrianto (2020), young investors often lack the experience to assess risks objectively, making them susceptible to market volatility. Therefore, strategic collaborations between content creators, financial institutions, and educational bodies are needed to bridge the gap between popularity and precision in financial education, ensuring young investors grow not only in access but also in analytical competence.

### **Psychological Factors in Investment Decisions**

According to behavioral finance theory, psychological elements profoundly influence investment decisions by introducing cognitive and emotional biases. Factors such as overconfidence, herding, fear of missing out (FOMO), emotional volatility, and retrospective bias (relying on past experiences) often divert individuals from rational economic behavior. Overconfidence, for instance, leads investors to overestimate their knowledge or predictive ability, resulting in risky decisions (Mafo et al., 2024; Anggun et al., 2024). Herding behavior reflects the inclination to follow crowd sentiment without independent analysis, creating momentum-driven markets (Addinpujoartanto & Darmawan, 2020).

Similarly, FOMO has been amplified by social media, where exposure to viral success stories prompts impulsive investments (Fitri et al., 2024). Emotional responses, whether driven by excitement or fear, interfere with measured risk assessment, often culminating in impulsive buy-or-sell actions (Wahyuni & Kristanto, 2022). Moreover, behavioral anchoring to past wins or losses influences future decisions, known as "recency bias" (Nofsinger, 2017). These patterns highlight the necessity of psychological literacy, not just financial knowledge, in nurturing disciplined investment behavior.

### **The Influence of Psychological Factors on Investment Decisions**

Psychological factors play a crucial role in shaping investment decisions, particularly among young investors. Key elements include herding behavior, overconfidence, fear of missing out (FOMO), emotions, and considering past experiences. Herding behavior refers to the tendency of investors to mimic others' actions rather than rely on their own analysis, often leading to irrational investment choices (Kumar & Goyal, 2015; Wali et al., 2022). While some studies highlight the significant impact of herding on investment decisions (Afriani & Halmawati, 2019; Putri & Yuyun, 2020), others suggest otherwise (Pranyoto et al., 2020), indicating a debate within the literature. Overconfidence, another psychological factor, describes investors' excessive belief in their own abilities and judgment, often resulting in higher risk-taking behavior (Shefrin, 2001). Research confirms that overconfidence can significantly influence investment decisions (Khairunizam & Isbanah, 2019; Pikulina et al., 2017; Setiawan et al., 2018). Similarly, FOMO drives investors to make impulsive decisions out of fear of missing profitable opportunities, while emotional reactions and reliance on past experiences also shape how individuals assess risk and potential returns. These findings form the basis for the following hypotheses: H1 – Psychological factors influence youth investment decisions; H1a – Overconfidence has a positive effect; H1b – Herding behavior has a positive effect; H1c – FOMO has a positive effect; H1d – Emotions have a positive effect; H1e – Considering past experiences has a positive effect.

### **The Influence of Framing Effect on Investment Decisions**

The framing effect refers to how information presentation influences individuals' interpretation and subsequent decision-making. In investment contexts, framing shapes how risks and opportunities are perceived, often guiding investors toward or away from particular choices. According to Haryanto (2006), positively framed information tends to reduce risk-seeking behavior, leading investors to act more conservatively. This suggests that how investment options are communicated, whether emphasizing gains or losses, can significantly affect decisions, particularly among young investors. Thus, Hypothesis 2 proposes: The framing effect positively influences youth investment decisions.

### **The Influence of Incidental Emotions on Investment Decisions**

Incidental emotions such as fear and overconfidence significantly impact investment decisions by influencing risk tolerance, portfolio strategies, and the timing of asset transactions. Fear often triggers risk-averse behavior like premature selling during downturns, while overconfidence may lead to excessive risk-taking. Emotional resilience, the capacity to manage stress, adapt to change, and maintain psychological stability, plays a key role in mitigating these effects. Empirical studies (Judijanto & Ilhamiwati, 2023; Brooks

& Williams, 2021; Herliana et al., 2023; Sachdeva & Lehal, 2023) highlight that emotionally resilient individuals are more rational under pressure, avoiding impulsive decisions driven by emotions like loss aversion or regret. Therefore, emotional resilience serves as a buffer against irrational investment behavior, supporting more strategic and grounded financial decisions (Milovidov, 2023; Long et al., 2023; Ton & Dao, 2014). Hypothesis 3: Incidental emotions experienced by individuals have a positive effect on investment decisions.

### **The Influence of Educational Content on TikTok on Investment Decisions**

TikTok, launched in 2016 by Zhang Yiming, is a Chinese social media platform that offers various features, including music integration, special effects, live streaming, and interactive content tools. Its engaging format has made it one of the world's most popular platforms, especially among young users. Beyond entertainment, TikTok is increasingly used for educational purposes, including financial literacy and investment awareness. Notable creators such as Felicia Putri Tjiasaka (@felicia.tjiasaka), Axel Jeremy (@axeljeremy\_), and Doddy (@doddybicarainvestasi) have popularized investing among youth by producing digestible and relatable investment content. These influencers often promote user-friendly investment platforms like Bibit and Ajaib, making investing more accessible. As a result, educational content on TikTok serves as a powerful medium to shape financial behaviors and positively influence young users' investment decisions. Hypothesis 4: Investment-related educational content presented on social media, particularly TikTok, has a positive influence on investment decisions.

## **RESEARCH METHOD**

This study investigates the influence of psychological factors, framing effect, incidental emotions, and TikTok investment education content on stock investment decisions among undergraduate Management students at the Faculty of Business and Economics, Universitas Islam Indonesia. Targeting active students aged 21–25 who are currently investing in stocks, a sample of 190 respondents was selected using purposive sampling, based on a population of 361 and a 5% margin of error calculated with the Slovin formula. Data were collected via an online questionnaire using a 5-point Likert scale and analyzed with SPSS 26, employing validity and reliability tests, classical assumption tests, and multiple linear regression. Psychological factors include overconfidence, herding, FOMO, emotional responses under uncertainty, and reliance on past experiences; the framing effect captures how message presentation (e.g., narrative tone, emotional language) influences perception; incidental emotions consider mood-related impulsivity and emotional awareness; and TikTok investment education is evaluated by content quality, delivery, and visual appeal. The dependent variable investment decision is measured by income allocation, transaction frequency, and portfolio diversity. The analysis includes normality, heteroscedasticity, multicollinearity, and  $R^2$  tests, with model significance assessed via F-test and hypothesis testing conducted at  $\alpha = 0.05$  to determine the individual and joint effects of the predictors on investment behavior.

## **RESULTS AND DISCUSSION**

### **Respondent Characteristics**

Based on the data grouping of respondents with characteristics based on gender collected through the questionnaire is presented in Table 1 below.:

**Table 1**  
**Characteristics Based on Gender, Age, and Generation**

No	Category	Amount	Percentage
1.	Male	87	45,8%
2.	Female	103	54,2%
	Total	Total	100%
1.	20 – 22 Years	154	81%
2.	> 22 Years	36	19%
	Total	Total	100%
1.	Class of 2020	0	0%
2.	Class of 2021	126	66.3%
3.	Class of 2022	31	16.3%
4.	Class of 2023	33	17.4%
	Total	190	100%

Based on respondent demographics, the study found that the majority were female (54.2%, 103 respondents), while males accounted for 45.8% (87 respondents), indicating a higher female participation. In terms of age, most respondents (81%, 154 individuals) were between 20–22 years old, whereas 19% (36 respondents) were older than 22. Regarding academic cohort, the dominant group was students from the 2021 batch (66.3%, 126 respondents), followed by those from 2023 (17.4%, 33 respondents), 2022 (16.3%, 31 respondents), and none from 2020, highlighting that the sample was primarily composed of students from the 2021 academic year.

**Table 2.**  
**Respondent Profile Based on Income, Income Source, Monthly Expenses, Investment Proportion, and Investment Experience**

No	Variable	Category	Frequency	Percentage
1	Average Monthly Income	> Rp5,000,000	21	11.0%
		Rp3,000,000 – Rp5,000,000	29	15.3%
		Rp2,000,000 – Rp3,000,000	64	33.7%
		Rp1,000,000 – Rp2,000,000	63	33.2%
		< Rp1,000,000	13	6.8%
		2	Source of Income	Parents
Self-employment/Work	17			9.0%
Scholarship	0			0.0%
Parents + Work	58			30.5%
Scholarship + Work	1			0.5%
Parents + Scholarship + Work	0			0.0%

3	Monthly Expenditure	> Rp4,000,000	11	5.8%
		Rp3,000,000 – Rp4,000,000	14	7.4%
		Rp2,000,000 – Rp3,000,000	30	15.8%
		Rp1,000,000 – Rp2,000,000	107	56.3%
		< Rp1,000,000	28	14.7%
4	Monthly Investment Proportion	> 20% of income	8	4.2%
		10% – 20% of income	13	6.8%
		5% – 10% of income	60	31.6%
		< 5% of income	109	57.4%
5	Investment Experience in Stocks	> 2 years	15	7.9%
		1 – 2 years	41	21.6%
		< 1 year	134	70.5%

The majority of respondents (33.7%) have a monthly income between Rp2,000,000 and Rp3,000,000, with 60% relying solely on financial support from their parents. More than half of the participants (56.3%) spend between Rp1,000,000 and Rp2,000,000 per month. Regarding investment behavior, most respondents (57.4%) allocate less than 5% of their income for investment, indicating a relatively low financial commitment to investing. Furthermore, the majority (70.5%) have less than one year of experience in stock investment, highlighting that most are relatively new to the investment landscape

### Descriptive Statistics of Research Variables

**Table 3.**  
**Results of Descriptive Statistics Test of Research Variables**

	N	Minimum	Maximum	Mean	Std. Deviation
OC	190	2	10	6,64	1,840
HB	190	2	10	6,42	1,886
FOMO	190	2	10	6,83	1,750
EM	190	2	10	6,54	1,882
CP	190	3	10	7,35	1,514
FE	190	16	45	33,32	6,145
IE	190	12	50	37,18	7,319
KE	190	15	40	31,27	5,155
KI	190	3	15	7,69	3,061
Valid N	190				

Source: Research data processed by SPSS Version 26, 2025

Based on the descriptive statistical analysis, the distribution of the collected data reveals the following: The psychological factors variable includes overconfidence (min = 2, max = 10, mean = 6.64, SD = 1.840), herding behavior (min = 2, max = 10, mean = 6.42, SD = 1.886), FOMO or fear of missing out (min = 2, max = 10, mean = 6.83, SD = 1.750),

emotions (min = 2, max = 10, mean = 6.54, SD = 1.882), and considering the past (min = 3, max = 10, mean = 7.35, SD = 1.514). The framing effect variable ranges from 16 to 45 with a mean of 33.32 and SD of 6.145. Incidental emotions range from 12 to 50 (mean = 37.18, SD = 7.319), investment education content ranges from 15 to 40 (mean = 31.27, SD = 5.155), and finally, investment decision ranges from 3 to 15 with a mean of 7.69 and SD of 3.061.

**Research Instrument Test Results**

Based on the validity test results, all statement items for the variables Psychological Factors, Framing Effect, Incidental Emotions, Stock Investment Education Content, and Investment Decisions have r count values greater than the r table value (0.1417; N = 190,  $\alpha$  = 0.05), indicating that all items are valid and appropriate for use in this study. Furthermore, the reliability test shows that all variables have Cronbach’s Alpha values above 0.60 Psychological Factors (0.862), Framing Effect (0.849), Incidental Emotions (0.903), Stock Investment Education Content (0.900), and Investment Decisions (0.856) demonstrating that the research instruments are reliable and exhibit strong internal consistency.

**Classical Assumption Test Results**

Based on the classical assumption tests, the data in this study meet all required assumptions. The normality test shows an Asymp. Sig. (2-tailed) value of 0.200 (> 0.05), indicating that the data are normally distributed. The heteroscedasticity test results reveal that all independent variables have significance values above 0.05 (psychological factors = 0.103, framing effect = 0.862, incidental emotions = 0.701, and educational content = 0.194), indicating no symptoms of heteroscedasticity. Furthermore, the multicollinearity test confirms the absence of multicollinearity among the independent variables, as all tolerance values are greater than 0.1 and VIF values are below 10. Therefore, the regression model used in this study satisfies all classical assumptions.

**Hypothesis Testing**

To assess the influence of psychological and behavioral factors on young investors’ stock investment decisions, multiple linear regression was conducted in two stages. The first stage tested psychological factors (PF) as a single variable alongside framing effect (FE), incidental emotions (IE), and investment education content (KE). The second stage decomposed PF into five constructs: overconfidence (OC), herding behavior (HB), fear of missing out (FOMO), emotions (EM), and consideration of the past (CP) to determine which components significantly affect investment decisions. The regression results are presented below.

**Table 4.**  
**Hypothesis Test Results with Single PF**

Variable	Unstd B	Coeff Std. Error	Std Coeff B	t	Sig.
(Constant)	-.332	1.290		-.257	.797
PF	.180	.040	.404	4.512	.000
FE	-.003	.050	-.006	-.061	.952
IE	.072	.038	.173	1.911	.058
KE	-.021	.051	-.035	-.409	.683

**Table 5.**  
**Hypothesis Test Results with PF Broken Down into 5 variables**

Variable	Unstd B	Coeff Std. Error	Std Coeff B	t	Sig.
(Constant)	-1.514	1.336		-1.133	.259
OC	.528	.127	.317	4.151	.000
HB	-.039	.150	-.024	-.260	.795
FOMO	.074	.160	-.042	-.462	.645
EM	.119	.174	.073	.684	.495
CP	.486	.149	.240	3.249	.001
FE	.033	.051	.067	.650	.516
IE	.061	.038	.145	1.608	.110
KE	-.040	.050	-.067	-.796	.427

Source: Research data processed by SPSS Version 26, 2025

The findings presented in Table 4 indicate that psychological factors (PF) have a positive and significant effect on investment decisions, as evidenced by a significance value of 0.000. Thus, H1 is accepted, suggesting that stronger psychological factors correlate with a higher likelihood of making investment decisions. However, when examined individually, only some constructs within the psychological factors remain significant. This implies that while psychological factors as a whole exert a meaningful influence, the effect is primarily driven by specific constructs such as overconfidence and considering the past.

As shown in Table 5, overconfidence (OC) significantly impacts investment decisions ( $p = 0.000$ ), supporting H1a. This demonstrates that young investors with excessive confidence are more likely to make investment decisions, even without accurate information. Conversely, herding behavior (HB), fear of missing out (FOMO), and emotions (EM) do not significantly influence investment decisions, as indicated by their respective  $p$ -values of 0.795, 0.645, and 0.495. These findings reject H1b, H1c, and H1d, suggesting that following others, fear of being left out, and emotional states do not statistically affect investment behavior. In contrast, considering the past (CP) does have a significant impact ( $p = 0.001$ ), supporting H1e and indicating that prior experiences play a role in investment decisions.

Framing effect (FE) shows no significant influence on investment decisions, with  $p$ -values of 0.952 and 0.516 in Tables 4 and 5, respectively, leading to the rejection of H2. Similarly, incidental emotions (IE) are only marginally significant at the 10% level ( $p = 0.058$ ) in Table 4 but become insignificant in Table 10 ( $p = 0.110$ ), likely due to the stronger influence of detailed psychological constructs. As a result, H3 is conditionally accepted under a 10% error margin but rejected otherwise. Lastly, investment education content on TikTok (KE) has no significant effect ( $p = 0.683$  in Table 4 and  $p = 0.427$  in Table 10), rejecting H4. The R-square value indicates that the model explains 25.2% of the variance in investment decisions, while the remaining 74.8% is attributed to other unobserved variables.

### **The Influence of Psychological Factors on Investment Decisions**

The research findings reveal that psychological factors have a positive and significant influence on investment decisions. This suggests that such factors can effectively drive individuals in making their investment choices. These results support the behavioral finance theory, which asserts that investment decisions are not always based on rational behavior but

are often shaped by emotional, psychological, and social influences. Thus, the empirical evidence strengthens the notion that psychological factors play a critical role in shaping investors' decisions.

### **The Influence of Overconfidence on Investment Decisions**

Overconfidence, as described by Shefrin (2001), refers to an investor's excessive belief in their own knowledge and skills. The study confirms that overconfidence has a positive and significant effect on investment decisions, validating hypothesis H1a. This implies that higher levels of investor overconfidence increase the likelihood of making investment decisions, often leading them to rely solely on their judgment while disregarding external advice. This finding aligns with behavioral finance theory, which highlights that cognitive biases such as overconfidence significantly influence investor behavior and financial markets. The results are consistent with prior studies (Pikulina et al., 2017; Setiawan et al., 2018; Yuwana et al., 2025) that found overconfidence to be a significant predictor of investment decisions.

### **The Influence of Herding Behavior on Investment Decisions**

Herding behavior refers to the tendency of investors to imitate the decisions of others, especially when they lack confidence or adequate information (Yuwana et al., 2025). While the initial hypothesis testing indicates that herding behavior does not significantly influence investment decisions, implying that investors tend to rely on personal analysis rather than group behavior, a simple regression reveals a positive and significant effect. This discrepancy may suggest that the influence of herding is masked by stronger factors such as overconfidence and past experiences. Previous studies (Yuwana et al., 2025; Ramdani, 2018; Leiwakabessy et al., 2021) support a significant influence of herding, while others (Fitriyani & Anwar, 2022; Bona & Liangga, 2022; Vitmiasih et al., 2021) align with the current findings, indicating that investors prioritize rational analysis and independent judgment over collective behavior when making investment decisions.

### **The Influence of FOMO on Investment Decisions**

The hypothesis testing results reveal that FOMO (fear of missing out) does not have a positive effect on investment decisions. This suggests that investors are not driven by the fear of missing opportunities others may gain, and they do not rush to invest merely to catch market momentum. Instead, they tend to remain rational, relying on fundamental and technical analysis when making investment decisions. However, when FOMO is analyzed using a simple regression model, herding behavior appears to significantly influence investment decisions, implying that FOMO's impact might be masked by variables such as overconfidence and consideration of past experiences. While previous studies by Lestari & Ramadhani (2024) and Alhazami & Donald (2025) found a positive link between FOMO and investment decisions, the current findings align with Susanto (2023), Bithana (2023), and Alfian et al. (2022), all of whom concluded that FOMO does not significantly affect investment behavior, as investors tend to base their decisions on rational analysis rather than trends.

### **The Influence of Emotions on Investment Decisions**

This study finds that emotions do not positively influence investment decisions, leading to the rejection of hypothesis H1d. Emotional states such as happiness, fear, anger, anxiety, or excitement are not strong enough to sway investment decisions among young investors. This implies that their decisions remain rational and are not dictated by emotional impulses. However, when tested through a simple regression model, emotions show a significant positive impact, indicating their influence may be overshadowed by other factors like overconfidence and consideration of past experiences. While previous research by Wahyuni & Pramono (2021) and Fitriani Komara et al. (2023) indicated that emotions can affect investment behavior, these findings are consistent with Dardana & Elgeka (2023), who found no significant emotional impact, reinforcing the idea that rational thinking still dominates investment decisions.

### **The Influence of Considering the Past on Investment Decisions**

The hypothesis testing confirms that considering the past has a significant positive effect on investment decisions, supporting hypothesis H1e. This means that past experiences both gains and losses play a crucial role in shaping current investment behavior. Investors tend to learn from their previous outcomes, with those who experienced profits becoming more confident, while those who suffered losses act more cautiously. This aligns with behavioral finance theories which emphasize that investment decisions are influenced not only by cognitive biases and emotions but also by prior experiences. These results are supported by studies from Wahyuni & Pramono (2021) and other scholars who argue that past experiences are instrumental in helping investors avoid repeating mistakes and make more informed decisions.

### **The Influence of Framing Effect on Investment Decisions**

The hypothesis testing results indicate that the framing effect does not have a positive influence on young people's investment decisions. This suggests that the way information is framed or presented is not sufficiently impactful to alter individuals' perspectives or decision-making processes. This finding aligns with Wardani (2014), who concluded that both positive and negative framing do not significantly affect investment decisions. Whether information is framed optimistically or pessimistically, it does not influence investors' choices.

### **The Influence of Incidental Emotions on Stock Investment Decisions**

Based on the results of the hypothesis testing above, there is a difference in the results when using ( $\alpha = 10$ ) which states that incidental emotions have a positive and significant influence on young people's stock investment decisions. However, in the second test, the results showed that incidental emotions did not have a positive effect on young people's investment decisions. Thus, momentary emotions do not affect investors' investment decision-making. Investors tend to be rational in making their investment decisions.

The results of this study are in line with previous studies which state that incidental emotions do not affect investment decisions. According to him, when deciding on investment decisions, investors are more rational and are measured through different contexts (Bartholomeyczik et al., 2022). According to (Marini, 2022), incidental emotions also do not

have a significant influence on investment decisions, these results are in line with the results of this study.

### **The Influence of Educational Content on Stock Investment Decisions**

The results show that educational content does not have a positive influence on stock investment decisions among young people. This implies that investment-related educational content on social media, particularly platforms like TikTok, lacks the persuasive power to shape investment behavior. Investors appear to rely more on personal experience and other factors rather than online educational content. Supporting this, Hulu (2024) also found that social media content had no significant impact on investment decisions, reinforcing the conclusion that such content does not drive investor behavior.

### **CONCLUSION**

This study concludes that psychological factors significantly influence stock investment decisions among young investors, particularly overconfidence and prior investment experience. Other factors, such as herding, FOMO, general emotions, incidental emotions, and the framing effect, show no significant impact, suggesting that young investors tend to rely more on rational judgment than emotional or social influences.

Educational content on TikTok also does not significantly affect investment decisions, indicating that engaging content alone is insufficient without strong financial understanding.

This study is limited by its sample management students at FBE UII, the use of online data collection, and a narrow set of variables. Future research should involve a broader sample, adopt mixed methods, and explore additional factors such as financial literacy, risk attitudes, fintech adoption, and the role of influencers.

For young investors, it is essential to recognize psychological biases, regulate emotions, and critically evaluate investment information. Financial education—delivered through both social media and formal learning plays a crucial role in fostering informed and responsible investment behavior.

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